



# MAJOR TAXES ADMINISTERED BY THE WASHINGTON DEPARTMENT OF REVENUE

October 2005

Tax Source (RCW Citation)	Tax Base	Current Tax Rate	Collection Procedure
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## State General And Selective Sales Taxes

<b>Brokered Natural Gas Tax</b> (82.12.022)	Natural or manufactured gas consumed within the state which was not subject to public utility tax	3.852%	Paid by users on special brokered natural gas tax return
<b>Cigarette Tax</b> (82.24, 28A.47)	Sale, use, consumption, handling, or distribution of cigarettes	2.025 cents per package of 20 cigarettes	Distributors purchase tax stamps
<b>Liquor Liter Tax</b> (82.08.150) <sup>1</sup>	Sales of hard liquor (spirits)	\$2.44 per liter	Included in purchase price
<b>Liquor Sales Tax</b> (82.08.150) <sup>1</sup>	Sales of liquor and strong beer	Consumers, 20.5%; Class H, 13.7%	Included in purchase price
<b>Refuse Collection Tax</b> (82.18)	Services provided by refuse collection businesses	3.6%	Paid by refuse collection users
<b>Rental Car Tax</b> (82.08.020(2))	Retail car rentals	5.9%	Paid by rental car firms
<b>Retail Sales Tax</b> (82.08)	Selling price of tangible personal property & certain services purchased by consumers	6.5% (6.8% on sales and leases of new and used motor vehicles)	Paid by purchaser to retailer who forwards to Revenue
<b>Tobacco Products Tax</b> (82.26)	Sale, use, etc., of other tobacco products (See <i>Special Notice, May 25, 2005</i> )	Cigars less than 67 cents – 75% of selling price; cigars 67 cents or more – 50 cents per cigar	Paid by distributors
<b>Use Tax</b> (82.12)	Privilege of using tangible personal property on which sales tax was not paid, measured by market value	6.5% (6.8% on vehicles)	Paid by user to Revenue (to County Auditor for vehicles)

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### State Gross Receipts Business Taxes

<b>Business &amp; Occupation Tax</b> (82.04)	Gross income or proceeds of sales, or value of products for privilege of doing business	Major rates: retailing, 0.471%; manufacturing/wholesaling, 0.484%; services, 1.5%	Business reporting monthly, quarterly, or annually
<b>Public Utility Tax</b>	Gross operating revenue of public & privately owned public service firms (utilities)	Gas/sewer, 3.852%; water, 5.029%; urban trans., 0.642%; motor & railroad trans., 1.926%; power, 3.873%; all others, 1.926%	Business reporting monthly, quarterly, or annually

### State Property Tax

<b>State Property Tax Schools</b> (84.52.065) <sup>2</sup>	Assessed value of taxable real & personal property, adjusted to 100% true & fair value	Taxes due in calendar 2005: \$2.78 per \$1,000 of assessed value (local tax base)	Paid by levy for owners: 50% due April 30 and balance due Oct. 31
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### State Excise Taxes in Lieu of Property Tax

<b>Leasehold Excise Tax</b> (82.29A)	Rental value of leased publicly owned property	State tax rate of 12.84% less local taxes up to 6%	Paid to lessors and sent to Revenue
<b>PUD Excise Tax</b> (54.28)	Privilege of producing energy by public utility districts	2.14% of gross revenues plus 5.35% of 1 <sup>st</sup> 4 mills per KWH	Paid annually by PUDs
<b>Timber Excise Tax</b> (84.33.041)	Stumpage value of timber at the time of harvest	Public lands, 5.0%; private lands, 1.0%	Paid quarterly by harvesters

### Other State Taxes

<b>Carbonated Beverage "Syrup" Tax</b> (82.64)	Wholesale or retail sales of syrup used to make carbonated beverages	\$1.00 per gallon of syrup	Paid by in-state sellers of carbonated beverages to Revenue
<b>Enhanced 911 Tax</b>	Telephone lines, land and wireless (See <i>Special Notice, April 28, 2005</i> )	\$0.20 per line	Paid on telephone bills to telephone companies and forwarded to Revenue

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### Other State Taxes (continued)

<b>Telecommunications Relay Service</b>	Telephone lines, land and wireless (See Special Notice, April 28, 2005)	\$0.10 per line	Paid on telephone bills to telephone companies and forwarded to Revenue
<b>Washington Telephone Assistance Program</b>	Telephone lines, land and wireless (See Special Notice, April 28, 2005)	\$0.14 per line	Paid on telephone bills to telephone companies and forwarded to Revenue
<b>Estate and Transfer Tax</b> (83.100)	Stand-alone state tax, effective May 17, 2005 (See Special Notice, May 17, 2005)	New Washington estate tax	Estates file within 9 months
<b>Food Fish &amp; Shellfish Tax</b> (82.27.020)	Price paid by first commercial processor of food fish or shellfish	Chinook salmon, 5.62%; sockeye salmon, 3.37%; oysters, 0.086%; sea urchins/cucumbers, 4.92%; other, 2.25%	Paid by commercial fishermen & processors
<b>Hazardous Substances Tax</b> (82.21)	Value of certain chemicals and other products at time of first possession in state	0.7%	Paid by party first possessing substance in state to Revenue
<b>Oil Spill Tax</b> (82.23B)	Crude oil & petroleum products delivered at marine terminals within the state	\$.05 per 42 gallon barrel	Collected by marine terminal operators & paid to Revenue
<b>Petroleum Products Tax</b> (82.23A)	Wholesale value of petroleum products derived from crude oil at time of first possession in this state (Temporarily not due – fund limit reached)	0.5% (tax reimposed as of 7/1/2003 but terminated on 7/1/2004)	Paid by first possessor of petroleum products to Revenue
<b>Real Estate Excise Tax</b> (82.45.060) <sup>3</sup>	Sales of real property	1.28% of selling price	Paid by sellers when affidavit is recorded
<b>State Convention Center</b> (67.40.090)	Accommodations in King County hotels with 60+ units	Seattle, 7%; the rest of King County 2.8%	Paid to retailer who forwards tax to Revenue

### Major Local Government Tax Sources (yield is latest year available)

<b>Baseball Sales/Use</b> (36.100.090)	Sales in King County	0.017% <sup>4</sup>	Calculated by Revenue
<b>Food &amp; Beverage</b> (82.14.360)	Prepared foods and drinks (King County only)	0.5%	Collected by retailers and forwarded to Revenue

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### Major Local Government Tax Sources (continued)

<b>Football Sales/Use</b> (36.102.070)	Sales in King County	0.016% <sup>4</sup>	Calculated by Revenue
<b>Hotel/Motel Tax</b> (67.28.180)	Transient rental income	2.0% of sales tax (6.5%)	Reported by retailers; state reimburses cities and counties
<b>Leasehold Excise Tax</b> (82.29 A)	Rental value of leased publicly owned property	Up to 6%	Paid to lessors and sent to Revenue
<b>Local Property Taxes</b> (84.52 and others) <sup>2</sup>	Assessed value of taxable real and personal property	Due in calendar year 2005: average local regular & special levy rate, \$9.09	Paid by owners: 50% due April 30 and balance due Oct. 31
<b>Local Retail Sales &amp; Use Taxes</b> (82.14)	Same as state sales/use tax	City/county, 0.5-1.0%; Transit, 0.1-0.9%; Criminal Justice, 0.1%; Public Facilities, 0.1%; Juvenile Detention, 0.1%; High Cap. Transit, 0.4%; Rural counties, 0.08%**; Regional Centers, 0.033% <sup>4</sup> ; Pierce County Zoo, 0.1% Emergency Comm, 0.1% Public Safety, 0.1-0.3%	Retailers report sales by local code
<b>Special Hotel/Motel Tax</b> (67.28)	Transient rental income	Many cities and counties levy additional taxes ranging from 2.0% to 5.0%	Paid to retailers who forward tax to Revenue
<b>Timber Excise Tax</b> (84.33.051)	Stumpage value of timber at the time of harvest	Private lands, 4.0%	Paid quarterly by harvesters to Revenue

#### Notes:

1. Tax is administered by DOR & Liquor Control Board
2. Tax is administered by DOR, County Assessor and Treasurer

3. Tax is administered by DOR and County Treasurer
4. Credited against state sales tax

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